



General Assembly

February Session, 2022

Raised Bill No. 5384

LCO No. 545



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

AN ACT CONCERNING PEER-TO-PEER CAR SHARING PROGRAMS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 13b-127 of the 2022 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective January 1, 2023*):

4 For the purposes of this section and sections 13b-127a to 13b-127l,
5 inclusive, as amended by this act:

6 (1) "Peer-to-peer car sharing" means the authorized use of a [shared]
7 vehicle [for a consideration] by a person other than the [shared vehicle]
8 vehicle's owner through a peer-to-peer car sharing [platform] program.

9 (2) ["Peer-to-peer car sharing company" or "company"] "Peer-to-peer
10 car sharing program" means [any person, corporation, limited
11 partnership or other legal entity that is engaged in the business of
12 operating a car sharing platform to enable peer-to-peer car sharing in
13 this state. "Peer-to-peer car sharing company"] a car sharing platform
14 that connects vehicle owners with drivers to enable the sharing of
15 vehicles for financial consideration. "Peer-to-peer car sharing program"

16 does not include any person licensed pursuant to section 14-15.

17 (3) "Car sharing platform" means a physical or electronic place,
18 including, but not limited to, a store, a booth, an Internet web site, a
19 catalog or a dedicated software application that allows a shared vehicle
20 owner to make a shared vehicle available for peer-to-peer car sharing
21 and connect a shared vehicle owner with a shared vehicle driver.

22 (4) "Car sharing agreement" means the terms and conditions
23 applicable to a shared vehicle owner and a shared vehicle driver that
24 govern the use of a shared vehicle through a peer-to-peer sharing
25 program. "Car sharing agreement" does not include any motor vehicle
26 rental contracts.

27 (5) "Shared vehicle" means a vehicle that is available for sharing [on
28 a] through a peer-to-peer car sharing [platform] program. "Shared
29 vehicle" does not include a passenger motor vehicle used for rental
30 purposes by any person licensed pursuant to section 14-15.

31 (6) "Shared vehicle driver" means a person authorized by the shared
32 vehicle owner to drive the shared vehicle under a car sharing
33 agreement. "Shared vehicle driver" does not include a lessee, as that
34 term is used in section 14-15.

35 (7) "Shared vehicle owner" means the registered owner, or a person
36 or entity designated by the registered owner, of a vehicle made available
37 on a peer-to-peer car sharing [platform] program. "Shared vehicle
38 owner" does not include a person licensed or required to be licensed
39 pursuant to section 14-15.

40 (8) "Car sharing delivery period" means the period of time during
41 which a shared vehicle is being delivered to the location of the car
42 sharing start time, if applicable, as documented by the car sharing
43 agreement.

44 (9) "Car sharing period" means the period of time that begins at the
45 start of the car sharing delivery period or, if there is no car sharing

46 delivery period, that begins at the car sharing start time, and ends at the
47 car sharing termination time.

48 (10) "Car sharing start time" means the time when a shared vehicle
49 driver takes possession and control of the shared vehicle at or after the
50 time the reservation of a shared vehicle is scheduled to begin [pursuant
51 to a car sharing agreement] as documented in the records of the peer-to-
52 peer car sharing program.

53 (11) "Car sharing termination time" means the earliest of the
54 following events:

55 (A) The expiration of the agreed upon period of time established for
56 the use of a shared vehicle according to the terms of the car sharing
57 agreement if the shared vehicle is delivered to the location agreed upon
58 in such agreement;

59 (B) When the shared vehicle is returned to a location as alternatively
60 agreed upon by the shared vehicle owner and shared vehicle driver as
61 communicated through a car sharing [platform] program and
62 incorporated into the car sharing agreement; or

63 (C) When the shared vehicle owner or the shared vehicle owner's
64 authorized designee takes possession and control of the shared vehicle.

65 Sec. 2. Section 13b-127a of the 2022 supplement to the general statutes
66 is repealed and the following is substituted in lieu thereof (*Effective*
67 *January 1, 2023*):

68 (a) Except as provided in subsection (b) of this section, a peer-to-peer
69 car sharing [company] program shall assume liability of a shared vehicle
70 owner for bodily injury or property damage to third parties, or
71 uninsured and underinsured motorist or personal injury protection
72 losses, during the car sharing period in an amount stated in the peer-to-
73 peer car sharing agreement, but not less than the minimum amounts
74 required by subsection (a) of section [14-112] 38a-334.

75 (b) The assumption of liability under subsection (a) of this section

76 shall not apply to any shared vehicle owner who: (1) Makes an
 77 intentional or fraudulent material misrepresentation or omission to the
 78 peer-to-peer car sharing [company or on] program or through the car
 79 sharing [platform] program before the car sharing period in which the
 80 liability arose; or (2) acts in concert with a shared vehicle driver who
 81 fails to return the shared vehicle pursuant to the car sharing agreement.

82 (c) The assumption of liability under subsection (a) of this section
 83 shall apply to bodily injury, property damage, uninsured and
 84 underinsured motorist or personal injury protection losses by damaged
 85 third parties, as prescribed by regulations adopted pursuant to section
 86 38a-334.

87 ~~[(c)]~~ (d) A peer-to-peer car sharing [company] program shall ensure
 88 that, during each car sharing period, the shared vehicle owner and the
 89 shared vehicle driver are insured under an automobile liability
 90 insurance policy that: (1) Provides insurance coverage in amounts not
 91 less than the minimum amounts [required by subsection (a) of section
 92 14-112] set forth in regulations adopted pursuant to section 38a-334; and
 93 (2) recognizes that the shared vehicle insured under the policy is made
 94 available and used through a car sharing [platform] program, or does
 95 not exclude the use of a shared vehicle by a shared vehicle driver.

96 ~~[(d)]~~ (e) The coverage requirements of subsection ~~[(c)]~~ (d) of this
 97 section may be satisfied by an automobile liability insurance maintained
 98 by the shared vehicle owner, the shared vehicle driver, the peer-to-peer
 99 car sharing [company] program or the shared vehicle owner, the shared
 100 vehicle driver and the peer-to-peer car sharing [company] program.

101 ~~[(e)]~~ (f) The [automobile liability insurance maintained pursuant to
 102 subsection (d) of this section shall assume primary liability for a claim:]
 103 insurer, insurers or peer-to-peer car sharing program providing or
 104 maintaining coverage under subsection (d) or (e) of this section shall
 105 assume primary liability for a claim when:

106 (1) [During each car sharing period;] A dispute exists as to who was
 107 in control of the shared motor vehicle at the time of the loss and the peer-

108 to-peer car sharing program does not have available, did not retain or
 109 fails to provide the information required by section 13b-127d, as
 110 amended by this act; or

111 (2) [When a dispute exists as to who was in control of the shared
 112 vehicle at the time of the loss and the peer-to-peer car sharing company
 113 does not have available, did not retain or fails to provide the information
 114 required by section 13b-127d that relates to the claim; or] A dispute
 115 exists as to whether the shared vehicle was returned to the alternatively
 116 agreed upon location as agreed to by the shared vehicle owner and the
 117 shared vehicle operator.

118 [(3) When a dispute exists as to whether the shared vehicle was
 119 returned to the alternatively agreed upon location as communicated
 120 through the car sharing platform and incorporated into the car sharing
 121 agreement.

122 (f) If a claim occurs during the car sharing period in another state with
 123 minimum financial responsibility requirements that are higher than the
 124 minimum amounts required by subsection (a) of section 14-112, the
 125 automobile liability insurance policy maintained pursuant to subsection
 126 (d) of this section shall provide coverage to satisfy the minimum
 127 amounts required by the other state, up to the applicable policy limits.]

128 (g) The liability insurance described in subsection (e) of this section
 129 that satisfies the insurance requirement of subsection (d) of this section
 130 shall be primary during each car sharing period and in the event that a
 131 claim occurs in another state with minimum financial responsibility
 132 limits higher than those established in subsection (a) of section 14-112,
 133 during the car sharing period, the coverage maintained under
 134 subsection (e) of this section shall satisfy the difference in minimum
 135 coverage amounts, up to the applicable policy limits.

136 [(g)] (h) If an automobile liability insurance policy maintained by a
 137 shared vehicle owner or shared vehicle driver has lapsed or does not
 138 provide the coverage required pursuant to subsection [(c)] (d) of this
 139 section, the [peer-to-peer car sharing company's automobile liability

140 insurance policy shall provide such coverage] insurance maintained by
 141 a peer-to-peer car sharing program shall provide the coverage required
 142 by subsection (d) of this section, beginning with the first dollar of a
 143 claim, and [the insurance company issuing such policy] shall have the
 144 duty to defend a claim except under circumstances as set forth in
 145 subsection (b) of this section.

146 [(h)] (i) Coverage under an automobile insurance policy maintained
 147 by the peer-to-peer car sharing [company] program shall not be
 148 contingent on another automobile insurance company first denying a
 149 claim, nor shall such other insurance company be required to first deny
 150 a claim.

151 [(i)] (j) Nothing in this section shall:

152 (1) Limit the liability of the peer-to-peer car sharing [company]
 153 program for any act or omission of the [company] program that results
 154 in bodily injury to any person as a result of the use of a shared vehicle
 155 through a car sharing [platform] program; or

156 (2) Limit the ability of the peer-to-peer car sharing [company]
 157 program to contract for indemnification from the shared vehicle owner
 158 or the shared vehicle driver for economic loss sustained by the
 159 [company] program resulting from a breach of the terms and conditions
 160 of the car sharing agreement.

161 Sec. 3. Section 13b-127b of the 2022 supplement to the general statutes
 162 is repealed and the following is substituted in lieu thereof (*Effective*
 163 *January 1, 2023*):

164 When a vehicle owner registers as a shared vehicle owner with a
 165 peer-to-peer car sharing [company] program but before the shared
 166 vehicle is made available on the car sharing [platform] program, the
 167 peer-to-peer car sharing [company] program shall notify the shared
 168 vehicle owner that, if the shared vehicle has a lien against it, the use of
 169 the shared vehicle through a car sharing [platform] program, including
 170 use without physical damage coverage, may violate the terms of the

171 contract with the lienholder.

172 Sec. 4. Section 13b-127c of the 2022 supplement to the general statutes
173 is repealed and the following is substituted in lieu thereof (*Effective*
174 *January 1, 2023*):

175 (a) An insurance company that offers automobile liability insurance
176 coverage in this state may offer automobile liability insurance policies
177 to individuals that exclude any or all coverage and the duty to defend
178 or indemnify any claim afforded under a shared vehicle owner's
179 automobile liability insurance policy. Such exclusions may include, but
180 are not limited to: (1) Liability coverage for bodily injury and property
181 damage; (2) personal injury protection coverage; (3) uninsured and
182 underinsured motorist coverage; (4) medical payments coverage; (5)
183 comprehensive physical damage coverage; or (6) collision physical
184 damage coverage.

185 (b) Nothing in this section shall be construed to: (1) Invalidate or limit
186 an exclusion contained in an automobile liability insurance policy,
187 including any insurance policy that excludes coverage for motor
188 vehicles made available for rent, sharing, hire or business use, or (2)
189 invalidate, limit or restrict an insurance [company that offers]
190 company's ability to offer automobile liability insurance coverage to
191 underwrite, cancel or not renew any insurance policy. Nothing in this
192 section shall be construed to invalidate, limit or restrict an insurer's
193 ability to cancel and not renew policies.

194 Sec. 5. Section 13b-127d of the 2022 supplement to the general statutes
195 is repealed and the following is substituted in lieu thereof (*Effective*
196 *January 1, 2023*):

197 A peer-to-peer car sharing [company] program shall collect and
198 verify records pertaining to the use of a shared vehicle, including, but
199 not limited to, the times used, location of the car sharing start time and
200 car sharing termination time, car sharing period fees paid by the shared
201 vehicle driver and revenues received by the shared vehicle owner. The
202 [company] program shall provide such records [: (1) Upon] upon

203 request to the shared vehicle owner, the shared vehicle owner's
204 insurance company or the shared vehicle driver's insurance company to
205 facilitate a claim coverage investigation, settlement, negotiation or
206 litigation. [, or (2) as required by an agreement entered into pursuant to
207 section 13b-127l. The company] The program shall retain the records for
208 a time period not less than the applicable personal injury statute of
209 limitations.

210 Sec. 6. Section 13b-127e of the 2022 supplement to the general statutes
211 is repealed and the following is substituted in lieu thereof (*Effective*
212 *January 1, 2023*):

213 A peer-to-peer car sharing [company] program and a shared vehicle
214 owner shall be exempt from vicarious liability [in accordance] consistent
215 with 49 USC 30106, as amended from time to time, and under any state
216 law or municipal ordinance that imposes liability solely based on
217 vehicle ownership.

218 Sec. 7. Section 13b-127f of the 2022 supplement to the general statutes
219 is repealed and the following is substituted in lieu thereof (*Effective*
220 *January 1, 2023*):

221 An insurance company that defends or indemnifies a claim against a
222 shared vehicle that is excluded under the terms of its automobile
223 liability insurance policy shall have a right to seek recovery against the
224 insurance company of the peer-to-peer car sharing [company] program
225 if the claim is: (1) Made against the shared vehicle owner or the shared
226 vehicle driver for loss or injury that occurs during the car sharing
227 period; and (2) excluded under the terms of its policy.

228 Sec. 8. Section 13b-127g of the 2022 supplement to the general statutes
229 is repealed and the following is substituted in lieu thereof (*Effective*
230 *January 1, 2023*):

231 (a) A peer-to-peer car sharing [company] program shall have an
232 insurable interest in a shared vehicle during the car sharing period.
233 Nothing in this subsection shall create liability for a peer-to-peer car

234 sharing [company] program for failure to maintain the insurance
235 coverage required pursuant to section 13b-127a, as amended by this act.

236 (b) A peer-to-peer car sharing [company] program may own and
237 maintain, as the named insured, one or more policies of automobile
238 liability insurance that provides coverage for: (1) Liability assumed by
239 the peer-to-peer car sharing [company] program under a car sharing
240 agreement; (2) any liability of the shared vehicle owner; (3) damage or
241 loss to the shared vehicle; or (4) any liability of the shared vehicle driver.

242 Sec. 9. Section 13b-127h of the 2022 supplement to the general statutes
243 is repealed and the following is substituted in lieu thereof (*Effective*
244 *January 1, 2023*):

245 Each car sharing agreement shall, at a minimum, disclose to the
246 shared vehicle owner and the shared vehicle driver:

247 (1) Any right of the peer-to-peer car sharing [company] program to
248 seek indemnification from the shared vehicle owner or the shared
249 vehicle driver for economic loss sustained by the [company] program
250 resulting from a breach of the terms and conditions of the car sharing
251 agreement;

252 (2) That an automobile liability insurance policy issued to the shared
253 vehicle owner for the shared vehicle or to the shared vehicle driver does
254 not provide a defense or indemnification for any claim asserted by the
255 peer-to-peer car sharing [company] program;

256 (3) That the peer-to-peer car sharing [company's] program's
257 insurance coverage on the shared vehicle owner and the shared vehicle
258 driver is in effect only during each car sharing period and that, for any
259 use of the shared vehicle by the shared vehicle driver after the car
260 sharing termination time, the shared vehicle driver and the shared
261 vehicle owner may not have insurance coverage;

262 (4) The daily rate, fees and, if applicable, any insurance or protection
263 package costs that are charged to the shared vehicle owner or the shared

264 vehicle driver;

265 (5) That the shared vehicle owner's automobile liability insurance
266 may not provide coverage for a shared vehicle;

267 (6) An emergency telephone number to personnel capable of
268 answering calls for roadside assistance and other customer service
269 inquiries; and

270 (7) If there are conditions under which a shared vehicle driver shall
271 maintain a personal automobile insurance policy with certain applicable
272 coverage limits on a primary basis to book a shared vehicle.

273 Sec. 10. Section 13b-127i of the 2022 supplement to the general
274 statutes is repealed and the following is substituted in lieu thereof
275 (*Effective January 1, 2023*):

276 (a) A peer-to-peer car sharing [company] program may not enter into
277 a car sharing agreement with a shared vehicle driver unless the shared
278 vehicle driver holds an operator's license, as defined in section 14-1, that
279 authorizes the driver to operate a motor vehicle of the same class as the
280 shared vehicle.

281 (b) A peer-to-peer car sharing [company] program shall keep a record
282 of: (1) The name and address of the shared vehicle driver; (2) the number
283 of the operator's license of each shared vehicle driver; and (3) the place
284 of issuance of the operator's license.

285 Sec. 11. Section 13b-127j of the 2022 supplement to the general
286 statutes is repealed and the following is substituted in lieu thereof
287 (*Effective January 1, 2023*):

288 A peer-to-peer car sharing [company] program is responsible for any
289 equipment, such as a global positioning system, that is put in or on the
290 shared vehicle to monitor or facilitate the car sharing transaction. The
291 [company] program shall indemnify and hold harmless the shared
292 vehicle owner for any damage to or theft of such equipment during the
293 car sharing period, unless caused by the vehicle owner. The [company]

294 program has the right to seek indemnification from the shared vehicle
295 driver for any loss or damage to such equipment that occurs during the
296 car sharing period.

297 Sec. 12. Section 13b-127k of the 2022 supplement to the general
298 statutes is repealed and the following is substituted in lieu thereof
299 (*Effective January 1, 2023*):

300 (a) When a shared vehicle owner registers a shared vehicle with a
301 peer-to-peer car sharing [company] program but before the shared
302 vehicle is available on the car sharing [platform] program, the
303 [company] program shall: (1) Verify that the shared vehicle is not subject
304 to a safety recall for which the repairs have not been made; and (2) notify
305 the shared vehicle owner of the requirements under subsection (b) of
306 this section.

307 (b) (1) If a shared vehicle owner received an actual notice of a safety
308 recall for the shared vehicle, the shared vehicle owner shall not make
309 the shared vehicle available on the car sharing [platform] program until
310 the safety recall repair has been made.

311 (2) If a shared vehicle owner receives an actual notice of a safety recall
312 for a shared vehicle while the shared vehicle is available on the car
313 sharing [platform] program, the shared vehicle owner shall remove the
314 shared vehicle's availability on the [platform] program as soon as
315 practicable after receiving such notice and until the safety recall repair
316 has been made.

317 (3) If a shared vehicle owner receives an actual notice of a safety recall
318 for a shared vehicle during the car sharing period, the shared vehicle
319 owner shall notify both the shared vehicle driver and the peer-to-peer
320 car sharing [company] program of the safety recall as soon as
321 practicable.

322 Sec. 13. Section 13b-127l of the 2022 supplement to the general
323 statutes is repealed. (*Effective January 1, 2023*)

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>January 1, 2023</i>	13b-127
Sec. 2	<i>January 1, 2023</i>	13b-127a
Sec. 3	<i>January 1, 2023</i>	13b-127b
Sec. 4	<i>January 1, 2023</i>	13b-127c
Sec. 5	<i>January 1, 2023</i>	13b-127d
Sec. 6	<i>January 1, 2023</i>	13b-127e
Sec. 7	<i>January 1, 2023</i>	13b-127f
Sec. 8	<i>January 1, 2023</i>	13b-127g
Sec. 9	<i>January 1, 2023</i>	13b-127h
Sec. 10	<i>January 1, 2023</i>	13b-127i
Sec. 11	<i>January 1, 2023</i>	13b-127j
Sec. 12	<i>January 1, 2023</i>	13b-127k
Sec. 13	<i>January 1, 2023</i>	Repealer section

Statement of Purpose:

To implement a peer-to-peer car sharing program.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]